

**Grazing License No.: 3062986**

**County: Missoula**

**Grazing Licensee: Rod & Tom Vannoy Ranch Company**

**High Bidder: Tom Ide**

Hearing Time: Friday, April 23, 2010 @ 2:00 p.m.

Tracts: T15N R14W S31: All S. of Blanchard Creek- 400 Ac. - Common School Grant

Grazing Acres: 400 AUM Rating: 40

Ag (Crop) Acres: 0

High Bid: \$20.00 per AUM

Other Bids: None

Previous Rental: Minimum

Prevalent Community Rental Information:

State Land County Bid Averages:

Missoula County: \$18.89/AUM

Powell County: \$6.94/AUM

MT Ag Statistics 2009 Private Lease Rate: \$18.00/AUM

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**Findings:** Mr. Tom Vannoy appeared and testified on behalf of the Grazing Licensee Rod & Tom Vannoy Ranch Company. The Vannoys, who possess a lifetime of farming and ranching experience, have been the prudent grazing licensees of this tract of State land for the past 60 years. This tract is located close to the boundary between Missoula County and Powell County. Mr. Vannoy testified as to how they incorporated this State tract into a three-pasture rest-rotation grazing system. The Lessees have sensibly controlled the spread of noxious weeds with spot applications of herbicide. Livestock water on this tract is supplied by Blanchard Creek. The only grazing lease prices cited by Mr. Vannoy was \$7.05/AUM for a lease that Mr. Vannoy previously obtained from the Montana Department of Fish, Wildlife, & Parks. The county competitive bid averages for Missoula and Powell Counties are \$18.89 and \$6.94 respectively. Given the location of this lease near the boundary between the Counties, it would be appropriate to average these figures to obtain an appropriate rental value for this lease; which approximates \$13.00/AUM. The High Bid of \$20.00/AUM exceeds the prevailing community standard for leases of this type, and would result in damage to the tract if implemented.

**Recommendation:** The Director recommends that the Board issue the next term of this lease to Rod & Tom Vannoy, as the best-qualified Lessees, and that the Board set the rental rate for this lease at the rate of \$13.00/AUM.